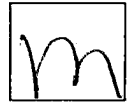


**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY



W-03875A  
Mountain Glen Water Service  
PO Box 897  
Clay Springs, AZ 85923

RECEIVED

MAY 03 2007

AZ CORP COMM  
Director Utilities

**ANNUAL REPORT**

**FOR YEAR ENDING**

12	31	2006
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FOR COMMISSION USE

ANN 04	06
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PROCESSED BY:

5807

SCANNED

## COMPANY INFORMATION

Company Name (Business Name) Mountain Glen Water Service, INC

Mailing Address PO Box 897  
(Street)

Clay Springs AZ 85923  
(City) (State) (Zip)

(928) 739-4770 (928) 739-4186 (928) 205-1419  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address bgen02@yahoo.com

Local Office Mailing Address \_\_\_\_\_  
(Street)

\_\_\_\_\_  
(City) (State) (Zip)

Local Office Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address \_\_\_\_\_

## MANAGEMENT INFORMATION

Management Contact: Beatrice Parker Owner  
(Name) (Title)

PO Box 897 Clay Springs AZ 85923  
(Street) (City) (State) (Zip)

(928) 739-4770 (928) 739-4770 \_\_\_\_\_  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address bgen02@yahoo.com

On Site Manager: William J Parker  
(Name)

Same  
(Street) (City) (State) (Zip)

Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address \_\_\_\_\_

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

**Statutory Agent:** \_\_\_\_\_

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

**Attorney:** \_\_\_\_\_

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

### **OWNERSHIP INFORMATION**

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☒ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co-op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) \_\_\_\_\_

### **COUNTIES SERVED**

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☒ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

Company Name: Mountain Glen Water Service, Inc.

**UTILITY PLANT IN SERVICE**

Acct. No.	Description	Original Cost (OC)	Accumulated Depreciation (AD)	OCLD (OC less AD)
301	Organization	\$ 2,384	\$ 745	\$ 1,639
302	Franchises	-	-	-
303	Land & Land Rights	8,110	-	8,110
304	Structures & Improvements	29,580	2,807	26,773
307	Wells & Springs	53,236	8,820	44,416
311	Pumping Equipment	66,688	17,699	48,989
320	Water Treatment Equipment	10,000	333	9,667
330	Distribution Reservoirs & Standpipes	85,040	6,370	78,670
331	Transmission & Distrib. Mains	184,056	16,861	167,195
333	Services	17,704	4,102	13,602
334	Meters & Meter Installations	32,597	7,313	25,283
335	Hydrants	36,000	720	35,280
336	Backflow Prevention Devices	-	-	-
339	Other Plant & Misc Equipment	-	-	-
340	Office Furniture & Equipment	1,828	653	1,175
340.1	Computers & Software	8,566	7,179	1,387
341	Transportation Equipment	11,728	7,477	4,251
343	Tools, Shop & Garage Equip.	-	-	-
344	Laboratory Equipment	-	-	-
345	Power Operated Equipment	-	-	-
346	Communications Equipment	-	-	-
347	Miscellaneous Equipment	-	-	-
348	Other Tangible Plant	-	-	-
	<b>TOTALS</b>	<b>\$ 547,517</b>	<b>\$ 81,078</b>	<b>\$ 466,438</b>

This amount goes on the Balance Sheet Acct. No. 108

Company Name: Mountain Glen Water Service, Inc.

**BALANCE SHEET**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>ASSETS</b>		
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 46,230	\$ 39,573
134	Working Funds		
135	Temporary Cash Investments		\$ 7,056
141	Customer Accounts Receivable	\$ 8,360	\$ 7,228
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	\$ 54,590	\$ 53,857
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 231,503	\$ 547,517
103	Property Held for Future Use		
105	Construction Work In Progress		
108	Accumulated Depreciation - Utility Plant	\$ 53,191	\$ 81,078
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	<b>TOTAL FIXED ASSETS</b>	\$ 178,312	\$ 466,438
	<b>TOTAL ASSETS</b>	\$ 232,902	\$ 520,295

**NOTE:** The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

Company Name: Mountain Glen Water Service, Inc.

**BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITIES</b>		
231	Accounts Payable	\$ 4,852	\$ 35
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	\$ 2,790	\$ 7,781
236	Accrued Taxes	\$ 2,820	\$ 9,959
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 10,462	\$ 17,775
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds		
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt		
252	Advances in Aid of Construction	\$ 21,545	\$ 339,603
255	Accumulated Deferred Investment Tax Credits		
271	Gross Contributions in Aid of Construction	\$ 2,000	\$ 2,000
272	Less: Amortization of contributions	\$ (450)	\$ (550)
281	Accumulated Deferred Income Tax	\$ 8,446	\$ 10,209
	<b>TOTAL DEFERRED CREDITS</b>	\$ 31,541	\$ 351,262
	<b>TOTAL LIABILITIES</b>	\$ 42,003	\$ 369,037
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$ 5,000	\$ 5,000
211	Paid in Capital in Excess of Par Value	\$ 158,016	\$ 155,016
215	Retained Earnings	\$ 27,883	\$ (8,758)
218	Proprietary Capital (Sole Props and Partnerships)		
	<b>TOTAL CAPITAL</b>	\$ 190,899	\$ 151,258
	<b>TOTAL LIABILITIES AND CAPITAL</b>	\$ 232,902	\$ 520,295

Company Name: Mountain Glen Water Service, Inc.

**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

<b>Acct. No.</b>	<b>OPERATING REVENUES</b>	<b>PRIOR YEAR</b>	<b>CURRENT YEAR</b>
461	Metered Water Revenue	\$ 152,076	\$ 167,369
460	Unmetered Water Revenue		
474	Other Water Revenues		3,972
	<b>TOTAL REVENUES</b>	\$ 152,076	\$ 171,341
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$ 52,000	\$ 105,919
610	Purchased Water	432	
615	Purchased Power	8,942	10,575
618	Chemicals	-	-
620	Repairs and Maintenance	9,709	13,838
621	Office Supplies & Expense	6,449	8,772
630	Outside Services	12,209	5,487
635	Water Testing	2,804	2,065
641	Rents	8,800	8,874
650	Transportation Expenses	2,021	3,531
657	Insurance - General Liability	5,313	7,132
659	Insurance - Health and Life	-	
666	Regulatory Commsn Exp-Rate Case	-	
675	Miscellaneous Expense	-	504
403	Depreciation Expense	14,481	26,362
408	Taxes Other Than Income	4,159	6,949
408.11	Property Taxes	9,058	6,089
409	Income Tax	50	
	<b>TOTAL OPERATING EXPENSES</b>	\$ 136,427	\$ 206,098
	<b>OPERATING INCOME/(LOSS)</b>	\$ 15,649	\$ (34,757)
	<b>OTHER INCOME/(EXPENSE)</b>		
419	Interest and Dividend Income		
421	Non-Utility Income		-
426	Miscellaneous Non-Utility Exp		-
427	Interest Expense	(11)	(131)
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	\$ (11)	\$ (131)
	<b>NET INCOME/(LOSS)</b>	\$ 15,638	\$ (34,888)

COMPANY NAME

*Mountain Glen Water Service, Inc***SUPPLEMENTAL FINANCIAL DATA****Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ ~~000~~ 339,603

Meter Deposits Refunded During the Test Year

\$ 1,369



COMPANY NAME	<i>Mountain Glen Water Service, Inc</i>
Name of System	ADEQ Public Water System Number (if applicable)

## WATER COMPANY PLANT DESCRIPTION

### WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
<i>55-087029</i>	<i>5</i>	<i>25</i>	<i>550</i>	<i>5</i>	<i>1</i>	
<i>55-629078</i>	<i>20</i>	<i>150</i>	<i>225</i>	<i>12</i>	<i>2</i>	
<i>55-629080</i>	<i>7.5</i>	<i>85</i>	<i>190</i>	<i>6</i>	<i>2</i>	
<i>55-629079</i>	<i>7.5</i>	<i>65</i>	<i>230</i>	<i>6</i>		
<i>55-584181</i>	<i>5</i>	<i>20</i>	<i>400</i>	<i>6</i>	<i>1</i>	<i>2000</i>

\* Arizona Department of Water Resources Identification Number

### OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
<i>N/A</i>		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
<i>10</i>	<i>1</i>		
<i>5.0</i>	<i>3</i>		
<i>3.0</i>	<i>1</i>		
<i>2.0</i>	<i>1</i>		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
<i>150,000 gal</i>			
<i>12,000 gal</i>	<i>2</i>	<i>85 gal</i>	<i>11</i>
<i>5,000 gal</i>	<i>1</i>	<i>115 gal</i>	<i>3</i>
<i>2,500 gal</i>	<i>1</i>		
<i>15,000 gal</i>	<i>1</i>		

Note: If you are filing for more than one system, please provide separate sheets for each system.

<b>COMPANY NAME</b>	<i>Mountain Glen Water Service, Inc</i>
<b>Name of System</b>	<b>ADEQ Public Water System Number (if applicable)</b>

### WATER COMPANY PLANT DESCRIPTION (CONTINUED)

#### MAINS

Size (in inches)	Material	Length (in feet)
2	PVC	1150
3	PVC	7850
4	PVC	25750
5		
6	PVC	7795
8		
10		
12		
3	CA	1625
6	CA	3000

#### CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	
3/4	
1	
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category for each system.

#### TREATMENT EQUIPMENT:

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#### STRUCTURES:

(2) 10x12 foot concrete block well houses with concrete floor

(4) 10x12 foot wood frame well houses with concrete floors.

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#### OTHER:

2000 chev 5-10 Truck

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*Note: If you are filing for more than one system, please provide separate sheets for each system.*

COMPANY NAME:	<i>Mountain Glen Water Service, Inc / Linden Trails</i>	
Name of System	<i>09-090</i>	ADEQ Public Water System Number (if applicable)

### WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2006

MONTH/YEAR	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	<i>21</i>	<i>78,360</i>		
FEBRUARY	<i>23</i>	<i>52,980</i>		
MARCH	<i>24</i>	<i>56,650</i>		
APRIL	<i>25</i>	<i>157,879</i>		
MAY	<i>45</i>	<i>345,090</i>		
JUNE	<i>51</i>	<i>710,470</i>	<i>424,600</i>	
JULY	<i>55</i>	<i>554,110</i>	<i>749,700</i>	
AUGUST	<i>57</i>	<i>218,810</i>	<i>290,200</i>	
SEPTEMBER	<i>58</i>	<i>224,900</i>	<i>291,500</i>	
OCTOBER	<i>59</i>	<i>950,180</i>	<i>331,800</i>	
NOVEMBER	<i>58</i>	<i>105,010</i>	<i>115,400</i>	
DECEMBER	<i>58</i>	<i>113,650</i>	<i>150,200</i>	
TOTALS →		<i>3,573,089</i>	<i>2,353,400</i>	<i>0</i>

What is the level of arsenic for each well on your system? *.004* <sup>was original well drilling</sup> ~~mg/l~~ <sup>test.</sup>  
 (If more than one well, please list each separately.) *MAP will test in 2007*

If system has fire hydrants, what is the fire flow requirement? *750* GPM for *2* hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?  
 ( ) Yes (X) No

Is the Water Utility located in an ADWR Active Management Area (AMA)?  
 ( ) Yes (X) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?  
 ( ) Yes (X) No

If yes, provide the GPCPD amount: \_\_\_\_\_

*Note: If you are filing for more than one system, please provide separate data sheets for each system.*

COMPANY NAME:	<i>Mountain Glen Water Service, Inc., Linden East</i>	
Name of System	<i>09-025</i>	ADEQ Public Water System Number (if applicable)

### WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2006

MONTH/YEAR	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	<i>265</i>	<i>1,186,184</i>	<i>1,333,000</i>	
FEBRUARY	<i>265</i>	<i>1,208,061</i>	<i>1,307,100</i>	
MARCH	<i>266</i>	<i>1,203,211</i>	<i>1,307,100</i>	
APRIL	<i>269</i>	<i>2,577,230</i>	<i>2,840,300</i>	
MAY	<i>267</i>	<i>2,577,150</i>	<i>2,739,000</i>	
JUNE	<i>266</i>	<i>3,597,990</i>	<i>3,822,400</i>	
JULY	<i>271</i>	<i>3,004,901</i>	<i>3,165,100</i>	
AUGUST	<i>275</i>	<i>1,484,280</i>	<i>1,671,100</i>	
SEPTEMBER	<i>276</i>	<i>1,517,069</i>	<i>1,701,900</i>	
OCTOBER	<i>277</i>	<i>1,412,620</i>	<i>1,615,000</i>	
NOVEMBER	<i>272</i>	<i>1,219,784</i>	<i>1,235,600</i>	
DECEMBER	<i>274</i>	<i>996,136</i>	<i>1,329,800</i>	
TOTALS →		<i>19,407,466</i>	<i>24,067,400</i>	

What is the level of arsenic for each well on your system? *0.014 POE<sup>1</sup> mg/l*

(If more than one well, please list each separately.)

*0.014 POE<sup>2</sup>  
POE 3 - in process of replacing this well*

If system has fire hydrants, what is the fire flow requirement?      GPM for      hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?

( ) Yes                      (~~X~~) No

Is the Water Utility located in an ADWR Active Management Area (AMA)?

( ) Yes                      (~~X~~) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

( ) Yes                      (~~X~~) No

If yes, provide the GPCPD amount:                                 

*Note: If you are filing for more than one system, please provide separate data sheets for each system.*

COMPANY NAME:	<i>Mountain Glen Water Service, Inc / Clay Springs</i>	
Name of System	<i>09-081</i>	ADEQ Public Water System Number (if applicable)

### WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2006

MONTH/YEAR	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	<i>21</i>	<i>58,330</i>	<i>58,260</i>	
FEBRUARY	<i>22</i>	<i>36,130</i>	<i>37,210</i>	
MARCH	<i>21</i>	<i>36,130</i>	<i>37,210</i>	
APRIL	<i>21</i>	<i>281,700</i>	<i>267,400</i>	
MAY	<i>20</i>	<i>241,190</i>	<i>0</i>	
JUNE	<i>20</i>	<i>375,370</i>	<i>373,070</i>	
JULY	<i>20</i>	<i>327,150</i>	<i>315,580</i>	
AUGUST	<i>20</i>	<i>144,540</i>	<i>140,350</i>	
SEPTEMBER	<i>20</i>	<i>84,040</i>	<i>80,430</i>	
OCTOBER	<i>20</i>	<i>63,480</i>	<i>61,160</i>	
NOVEMBER	<i>20</i>	<i>78,360</i>	<i>75,090</i>	
DECEMBER	<i>20</i>	<i>190,000</i>	<i>160,030</i>	
TOTALS →		<i>1,916,420</i>	<i>1,605,790</i>	<i>0</i>

What is the level of arsenic for each well on your system? *MAP does not test because of* \_\_\_\_\_ mg/l *System Classification*  
 (If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? *—* GPM for *—* hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?  
 ( ) Yes (X) No

Is the Water Utility located in an ADWR Active Management Area (AMA)?  
 ( ) Yes (X) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?  
 ( ) Yes (X) No

If yes, provide the GPCPD amount: \_\_\_\_\_

*Note: If you are filing for more than one system, please provide separate data sheets for each system.*

COMPANY NAME:	<i>Mountain Glen Water Service, Inc. / Pinedale</i>	
Name of System	<i>09-054</i>	ADEQ Public Water System Number (if applicable)

### WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2006

MONTH/YEAR	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	<i>18</i>	<i>62,120</i>	<i>74,530</i>	
FEBRUARY	<i>17</i>	<i>57,390</i>	<i>66,370</i>	
MARCH	<i>17</i>	<i>57,390</i>	<i>66,370</i>	
APRIL	<i>18</i>	<i>136,530</i>	<i>147,260</i>	
MAY	<i>17</i>	<i>106,190</i>	<i>114,770</i>	
JUNE	<i>17</i>	<i>201,280</i>	<i>216,410</i>	
JULY	<i>17</i>	<i>115,870</i>	<i>119,320</i>	
AUGUST	<i>17</i>	<i>85,440</i>	<i>89,240</i>	
SEPTEMBER	<i>17</i>	<i>70,340</i>	<i>72,370</i>	
OCTOBER	<i>17</i>	<i>70,070</i>	<i>72,800</i>	
NOVEMBER	<i>17</i>	<i>47,810</i>	<i>51,920</i>	
DECEMBER	<i>17</i>	<i>44,710</i>	<i>61,830</i>	
TOTALS →		<i>1,055,140</i>	<i>1,153,190</i>	<i>0</i>

What is the level of arsenic for each well on your system?                      mg/l *not tested by MAP because of system classification*  
 (If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement?          GPM for          hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?  
 ( ) Yes                      (☒) No

Is the Water Utility located in an ADWR Active Management Area (AMA)?  
 ( ) Yes                      (☒) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?  
 ( ) Yes                      (☒) No

If yes, provide the GPCPD amount:   

*Note: If you are filing for more than one system, please provide separate data sheets for each system.*

COMPANY NAME Mountain Glen Water Service YEAR ENDING 12/31/2006

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2006 was: \$ 6088.82

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

VERIFICATION  
AND  
SWORN STATEMENT  
Taxes

RECEIVED

MAY 13 2007

VERIFICATION

STATE OF Arizona  
I, THE UNDERSIGNED  
OF THE

COUNTY OF (COUNTY NAME)	<u>Navajo</u>
NAME (OWNER OR OFFICIAL) TITLE	
COMPANY NAME	<u>Mountain Glen Water Service, Inc.</u>

ARIZONA CORP COMM  
Director Utilities

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

Bessie J Parker

SIGNATURE OF OWNER OR OFFICIAL

928-739-4770

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

12

DAY OF May

2007

(SEAL)

MY COMMISSION EXPIRES

June 7, 2008

COUNTY NAME

Navajo

MONTH

May

2007



**B BOBBIE THAYER**  
NOTARY PUBLIC - ARIZONA  
NAYAJO COUNTY  
My Commission Expires  
June 7, 2008

Bobbie Thayer

SIGNATURE OF NOTARY PUBLIC



COMPANY NAME Mountain Glen Water Service, Inc. YEAR ENDING 12/31/2006

**INCOME TAXES**

For this reporting period, provide the following:

Federal Taxable Income Reported 0  
Estimated or Actual Federal Tax Liability 0

State Taxable Income Reported 0  
Estimated or Actual State Tax Liability 0

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances \_\_\_\_\_  
Amount of Gross-Up Tax Collected \_\_\_\_\_  
Total Grossed-Up Contributions/Advances \_\_\_\_\_

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

William J Parker  
SIGNATURE

4/12/07  
DATE

William J Parker  
PRINTED NAME

President  
TITLE

**VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only**

RECEIVED

MAY 08 2007

W. DUKE COMM  
Director Utilities

**VERIFICATION**

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	<u>Navajo</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>Beatrice J. Parker Sec/Treas</u>
COMPANY NAME	<u>Mountain Glen Water Service Inc</u>

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION**

**FOR THE YEAR ENDING**

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2006</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2006 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 182,271


(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 10,930  
IN SALES TAXES BILLED, OR COLLECTED)

**\*\*REVENUE REPORTED ON THIS PAGE MUST  
INCLUDE SALES TAXES BILLED OR  
COLLECTED. IF FOR ANY OTHER REASON,  
THE REVENUE REPORTED ABOVE DOES NOT  
AGREE WITH TOTAL OPERATING REVENUES  
ELSEWHERE REPORTED, ATTACH THOSE  
STATEMENTS THAT RECONCILE THE  
DIFFERENCE. (EXPLAIN IN DETAIL)**

Beatrice J. Parker  
SIGNATURE OF OWNER OR OFFICIAL  
928-739-4770  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 12 DAY OF April, 2007  
  
MY COMMISSION EXPIRES June 1, 2008

COUNTY NAME Navajo  
MONTH April, 2007  
B. Robert Thayer  
SIGNATURE OF NOTARY PUBLIC

**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE**  
Intrastate Revenues Only

RECEIVED

MAY 03 2007

ARIZONA CORP COMM  
Director Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <i>Navajo</i>	
NAME (OWNER OR OFFICIAL) <i>Beatrice I Parker</i>	TITLE <i>Sec/Treas</i>
COMPANY NAME <i>Mountain Glen Water Service, Inc</i>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION  
FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2006 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 182,271

THE AMOUNT IN BOX AT LEFT

INCLUDES \$ 10,930  
IN SALES TAXES BILLED, OR COLLECTED)

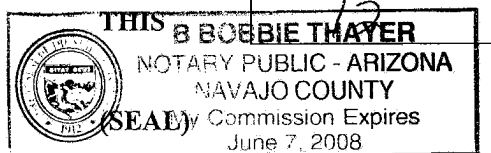
\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.

*Beatrice I Parker*  
SIGNATURE OF OWNER OR OFFICIAL

928-139-4770  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF



MY COMMISSION EXPIRES June 7, 2008

DAY OF

NOTARY PUBLIC NAME <i>Bobbie Thayer</i>	
COUNTY NAME <i>Navajo</i>	
MONTH <i>April</i>	YEAR <i>2007</i>

X *Bobbie Thayer*  
SIGNATURE OF NOTARY PUBLIC